

SAF/AQC Management and Oversight of Acquisition of Services Procedures

1. **Purpose:** This Management and Oversight of Acquisition of Services Process (MOASP) supplements the Air Force MOASP and implements portions of the Section 801 of the National Defense Authorizations Act FY 2002. SAF/AQC, is the Services Designated Official (SDO), for the Direct Reporting Units listed below:

United States Air Force Academy
11th Wing
Air Force Special Operations Command (AFSOC)

The intent of the MOASP is to ensure all services acquisitions receive appropriate reviews and approvals. The focus of the process is to ensure services acquisitions include a strategic approach, are performance-based, comply with applicable statutes, regulations and policies, promote appropriate outcomes, include metrics which are identifiable and measurable, and are well managed after award.

2. **Discussion:** To implement the above process, SAF/AQC intends to delegate full Services Designated Official (SDO) authority to the Direct Reporting Units (DRU) demonstrating:

- a. A comprehensive services program that contains the characteristics at Attachment 1.
- b. A SAF/AQC review of the services program validating the DRUs services processes.

The characteristics and SAF/AQC validation ensure adequate reviews and approvals are in place to ensure the DRUs are acquiring services strategically, applying performance-based principles, complying with statute, and measuring and managing performance after contract award.

Where such a program is not yet proven, SAF/AQC, as the SDO, will conduct in-depth reviews at two milestones before contract award, twice after award and annually thereafter until contract expiration. DRUs are to add a total of thirty days to the acquisition schedule for the various reviews conducted by SAF/AQC, as the SDO.

MOASP Implementation

3. **Application:** This MOASP applies to all service acquisitions regardless of source, valued in the range from \$50 million to \$100 million or any service acquisition between 250-300 full time-equivalents (FTEs).

4. **Services Designated Official (SDO):** The SDO reviews and approval shall complement other established reviews or oversight processes. The SDO shall ensure that services acquisitions are based on a strategic approach, and that business arrangements comply with applicable statutes, regulations, and policies. The SDO will also ensure that all services acquisitions contain outcome based objectives and appropriate metrics that ensure timely and accurate assessments of the contractor's performance. The SDO will ensure there is a plan

outlining how the contract will be managed after contract award. The Chief, Contracting Operations Division (SAF/AQCK), will serve as an advisor to all services acquisitions at the SDO review threshold. All documents related to SDO review shall be submitted to SAF/AQCK.

5. Thresholds: The SDO reviews and approves, in advance, all services acquisitions with a total value of \$50M- \$100M or acquisitions involving 250-300 FTEs. The SDO retains the right to declare any services acquisition as “special interest.” DRUs are required to establish a same or similar MOASP process demonstrating management and oversight of services acquisitions for all services acquisitions below the SDO authority. The SDO will review and approve the DRU processes prior to implementation.

6. Pre-Solicitation Review: DRUs will include outcome-based objectives, appropriate metrics, and a performance plan. These objectives and overarching metrics should be developed, and addressed in the acquisition plan, approved by the Acquisition Strategy Panel (ASP), included in the request for proposal, and be made a part of any subsequent contract or agreement. Each performance-based contract should contain metrics that address the unique performance requirements that measure progress toward the desired outcomes, and a performance plan outlining how the contract will be managed upon contract award.

The responsible program manager or contracting officer for all services acquisitions shall submit the draft acquisition plan and the draft performance-based work statement (PWS) or similar documents and the draft Services Summary, and Performance Plan to the SDO prior to scheduling the ASP. The SDO will then determine his role in the Source Selection (SS), the ASP, and acquisition plan approval. The SDO shall provide formal direction and approval during the ASP process. Examples and instructions for use in preparing for the ASP are located on the SAF/AQC Secretariat website at <http://www.safaq.hq.af.mil/contracting/toolkit/asp/index.html>.

7. Pre-Award Review: The SDO will review the contract and management controls before award and after source selection. For acquisitions at or above the AP/ASP threshold, the ASP chair will review and approve the pre-award contract.

For all A-76 programs that result in the implementation of a Most Efficient Organization (MEO) service provider, the Performance Plan shall comply with AFI 63-124, Performance-Based Services Acquisition and this MOASP, and will be managed and approved in accordance with AFI 38-203, Commercial Activities Program

8. Post Award Review: The SDO will conduct post-award reviews for each service acquisition that is valued between \$50 and \$100 million or between 250 to 300 FTEs for an A-76 study. DRU will report to the SDO during transition, six months after transition, and annually thereafter.

a. The DRU will report to the SDO within 30 days of contractor’s full assumption of the contract workload, for example, end of transition, phase-in period, or similar event. The review of the contract will determine if the contractor successfully completed the transition, is fully operational, and is within estimated budget.

b. The DRUs will report to the SDO any services acquisition experiencing significant variances in anticipated cost, schedule, or performance expectations, with a corrective plan of action.

In recognition of the numerous variables that drive the performance of service acquisitions, this process seeks to minimize reporting requirements to those that are clearly indicative of the contractor's performance and provide the level of insight desired. A contractor's performance should only be reported at the macro level in terms of cost and schedule variance or significant performance indicators set forth in each contract/performance plan. As a minimum, information required will be: Contract name, contract number, contractor, variance (cost, schedule, performance, other), explanation of variance, assessment of contractor's corrective action plan.

Acquisition Characteristics:

Purpose: The purpose of this checklist is to identify the characteristics an effective services oversight and management program shall include to be considered for SDO delegation IAW AFFARS 5337.503-90 for the Direct Reporting Units (DRUs).				
Characteristic :	Y	N	Explanation	Non-Applicable
Pre-ASP				
Review ASP Planning Checklist & briefing charts at http://www.safaq.hq.af.mil/contracting/toolkit/asp/index.html				
Acquisition Strategy that:				
Demonstrates a strategic approach				
Is Performance-based				
Includes a bundling justification, if applicable				
Market Research that includes:				
Labor market assessment - competition among contracts, limited workforce.				
Sole source or competitive considerations.				
Thorough analysis to support major changes in acquisition approach, and impacts of change, i.e. environmental, funding, manpower, politically sensitive issues, waivers, approvals required.				
Commercial considerations. Explain why/why not FAR Part 12 applies.				
Small Business Participation - partnering strategies - incentives to participate at prime or sub-level. Subcontracting evaluation and proposed management necessary to ensure contractor tracks/achieves goals.				
Other elements:				
Performance elements critical to mission success captured in PWS, L&M, Performance Plan (QASP) and metrics.				
Compatibility requirements with existing or future systems/programs.				
Risk assessment completed and captured in Section L&M. (Section L requesting contractor to assess risk, and Section M informing the contractor to address his approach to the risk).				
Risk assessment: technical/cost/funding/schedule/interface/program/sustainment/and logistics/environmental/safety/health/security. Consequences of failure to achieve goals/successfully mitigate risk				
Performance Based IAW AFI 63-124.				

Characteristic:	Y	N	Explanation	Non-Applicable
Assessment of transition: Adequate transition period, complexity, first time outsourced, and considerations.				
Incentives assessment: Manpower required to manage the program. Incentives are realistic, focused to motive the desired performance and adequate. Performance elements identified as critical in the performance plan.				
Funding Assessment: Funding limitations, fund availability, competition among programs.				
Incentive plan (award fee/term, etc. identifies what the contractor what must do to receive 100% of the fee.				
Delegations of authority/contract management addressed.				
Initiatives to encourage participation from non-traditional contractors considered.				
Sources Sought Synopsis results.				
Industry Day results.				
A-76 specific elements:				
Study is on-schedule. Within timeframe established (congressional announcement)?				
Scope of study, functions included & necessary justifications if consolidating/bundling) unique to A-76. .				
Firewalls between MEO/source selection/appeal team				
Training provided Executive Steering Group, MEO, and other stakeholders				
Performance Plan or contract management outline elements:				
Identifies team members and how roles and responsibilities are distributed among the members.				
Team's processes to ensure contractor is mitigating risk IAW the proposal.				
Performance metrics or performance measurements are identified or to be provided by the contractor. Outlines how the team will manage metrics and performance measures.				
Performance Plan or contract management outline includes scheduled performance reviews.				
Addresses how the contractor's QC plan will be utilized.				
How lessons learned/best practices will be captured throughout the acquisition. Addresses resolution of disputes among team members/				
Schedule, cost and performance constraints are identifiable.				
Contract Performance Management Assessment Program and Contract Management outlined, and performance-based IAW AFI 63-124 & quality directives.				
Includes the non-PBSA SDO approval. Actions identified to implement PBSA in the future. Identifies when this will occur.				
Contract administration delegations IAW AFI 63-124.				
References Award Fee Plan implementation, or defines how award fee will be managed.				
Scheduled reviews of the Performance Plan and Award Fee Plan.				

Characteristic:	Y	N	Explanation	Non-Applicable
Mitigation of funding issues & includes a tracking process.				
Identifies process for evaluating contractor correction plans.				
Identifies the process for conducting day-to-day business. Meetings, minutes, modifications, etc process included.				
Identifies training required by multi-functional members. Training is scheduled.				
Outlines contract closeout process.				
Pre-Award (prior to announcing the decision)				
Contractor's proposal addresses /mitigated risk. Risk assessed as part of the technical evaluation.				
The PAR and Decision Document clearly define the decision process, and support the proposed contract award.				
Proposed assessment methods compliment the contractor's quality control plan.				
Contractor's QA plan captured the critical aspects of the services identified in the Services Summary and Performance Plan.				
The contractor is proposing a comprehensive QC plan.				
Contractor's proposal included the assessment of the labor market for hiring employees. Assessment is evaluated as part of the technical evaluation.				
Contractor's transition plan is adequate? Plan is evaluated as part of the technical evaluation.				
GFP certifications validating delivery reviewed/approved.				
Post Award				
Transition:				
Contractor in full operation of the service.				
Key personnel on-board. Contract fully staffed, correct skill mix, training scheduled. Correction plan required.				
Transition assessment: Transition within estimated budget. Transition period extended. Cost overruns, and overtime authorized.				
Transition IAW contractor's proposal. Positive or negative variations in cost, schedule and/or significant performance metrics identified. Corrective action reports associated with negative variations.				
Labor constraints mitigated.				
AF and contractor agree on submittals/performance measures/metrics/critical objectives. Approvals documented.				
Compare/review contractor internal assessments, the way ahead. unforeseen challenges, unresolved issues, etc.				
Readiness review assessment necessary/completed. Positive or negative variations in cost, schedule and/or significant performance metrics identified. Corrective action reports associated with negative variations.				
GFP identified/transferred/inventoried.				
Transition Lessons learned and best practices identified and documented. Corrective actions/plans identified.				